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Date: March 30, 2011  
Reference No.:  
Circular Letter No.: 310-019-11  
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Special:

# **Circular Letter**

TO: EMPLOYERS COVERED BY CALPERS, EMPLOYEE ORGANIZATIONS  
AND OTHER INTERESTED PARTIES

SUBJECT: MEETING NOTICE OF THE CALPERS BOARD OF ADMINISTRATION,  
ITS COMMITTEES AND ADVISORY PANELS

The CalPERS Board of Administration, its Committees and Advisory Panels are scheduled to meet on the following days in April. All meetings will be held in public session unless otherwise noted.

## **Board of Administration**

Date and Time: Monday, April 11, 2011, 8:30 a.m.

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Board will meet in closed session to discuss personnel and employment matters pursuant to Government Code sections 11126(a)(1) and 11126(g)(1): Chief Executive Officer, Chief Investment Officer, General Counsel, and Chief Actuary.

## **Investment Committee**

Date and Time: Monday, April 11, 2011, 9:00 a.m., or upon recess or adjournment of the Board of Administration closed session, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Committee will meet in closed session to discuss personnel and investment matters pursuant to Government Code sections 11126(a)(1) and (c)(16).

## **Investment Committee**

Date and Time: Monday, April 11, 2011, 9:30 a.m., or upon adjournment or recess of the Investment Committee closed session, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

A closed session will be held upon adjournment or recess of the open session to consider investment matters pursuant to Government Code section 11126(c)(16).

## **Policy Subcommittee of the Investment Committee**

Date and Time: Monday, April 11, 2011, 11:30 a.m., or upon adjournment or recess of the Investment Committee meeting, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

## **Ad Hoc Risk Management Committee**

Date and Time: Monday, April 11, 2011, 1:00 p.m., or upon adjournment

or recess of the Policy Subcommittee of the Investment Committee, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Benefits and Program Administration Committee

Date and Time: Tuesday, April 12, 2011, 8:30 a.m.

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Health Benefits Committee

Date and Time: Tuesday, April 12, 2011, 9:00 a.m. or upon adjournment or recess of the Benefits and Program Administration Committee meeting, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Health Benefits Committee

Date and Time: Tuesday, April 12, 2011, 9:30 a.m., or upon adjournment or recess of the Health Benefits Committee meeting, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Committee will meet in closed session to discuss health plan contract negotiations pursuant to Government Code section 11126(c)(17)).

Finance Committee

Date and Time: Tuesday, April 12, 2011, 1:00 p.m., or upon adjournment or recess of the Health Benefits Committee closed session meeting, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

Board of Administration

Date and Time: Wednesday, April 13, 2011, 8:00 a.m.

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Board will meet in closed session to discuss personnel and employment matters pursuant to Government Code sections 11126(a)(1) and 11126(g)(1), and investment matters pursuant to Government Code section 11126(c)(16).

Board of Administration

Date and Time: Wednesday, April 13, 2011, 9:00 a.m., or upon adjournment or recess of the Board of Administration closed session meeting, whichever is later

Location: Auditorium, Lincoln Plaza North, 400 Q Street, Sacramento, CA

The Board may adjourn into closed session to deliberate on administrative decisions pursuant to Government Code section 11126(c)(3).

Board members may attend meetings of committees of which they are not members and participate in the discussions during those committee meetings.

The Board would be pleased to have you or representatives of your agency at the public sessions. The facilities are accessible to persons with disabilities. Requests for sign language or captioning services require a minimum of 72 hours notice. To request service, please call (916) 795-3065 (voice or TTY).

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March 30, 2011  
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Items scheduled for the public sessions of the meetings are listed on the attached agendas. This information is also available on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov). Please contact Cheree Swedensky, at (916) 795-3128, with any questions regarding the meetings. Thank you.

ANNE STAUSBOLL  
Chief Executive Officer

Attachment

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**INVESTMENT COMMITTEE**

**April 11, 2011**

**9:00 a.m.**

**or Upon Adjournment or Recess of the  
Board of Administration Closed Session, Whichever is Later**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 Q Street  
Sacramento, CA

**COMMITTEE MEMBERS**

George Diehr, Chair  
Henry Jones, Vice Chair  
John Chiang  
Richard Costigan  
Dan Dunmoyer  
Rob Feckner  
JJ Jelincic  
Bill Lockyer  
Priya Mathur  
Louis F. Moret  
Tony Oliveira  
Ronald Yank

**CLOSED SESSION      9:00 a.m. or Upon Adjournment or Recess of the Board of  
Administration Closed Session, Whichever is Later**

Chief Investment Officer's Briefing on Market and Personnel Issues  
(Government Code sections 11126(a)(1) and 11126(c)(16))

**OPEN SESSION      9:30 a.m. or Upon Adjournment or Recess of Closed Session,  
Whichever is Later**

**CLOSED SESSION      Upon Adjournment or Recess of Open Session  
(Government Code section 11126(c)(16))**

## **AGENDA**

### **OPEN SESSION**

#### **Action Items**

1. Call to Order and Roll Call
2. Approval of the March 14, 2011, Open Session Minutes
- Farouki Majeed 3. Fund Policy Benchmarks
- Geraldine Jimenez 4. Judges' II (JRS II) and Legislators' (LRS) Retirement Systems Annual Update and Strategic Asset Allocation
- Kami Niebank 5. Contracts – Global Equity External Investment Manager Solicitation

#### **Information Items**

- Joseph Dear 6. Total Fund
  - a. California Investment Update
    - 1) CalPERS for California Report
    - 2) AIM California Initiative Update
7. Program Updates
  - a. Real Estate
  - b. Inflation-Linked Asset Class (ILAC)
  - c. Alternative Investments Management (AIM)
  - d. Global Fixed Income
  - e. Global Equity
  - f. Global Equity – Corporate Governance
  - g. Affiliate Investment Programs
- Joseph Dear  
Janine Guillot 8. Activity Reports
  - a. Consolidated Investment Activity Report
  - b. Chief Operating Investment Officer's Status Report
9. Agenda and Calendar
  - a. Draft Agenda for May 16, 2011
  - b. Rolling Annual Agenda Item Calendar
10. Public Comment

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

## **CLOSED SESSION**

### **Upon Adjournment or Recess of Open Session** (Government Code sections 11126(c)(16))

#### **Action Items**

Joseph Dear and  
Randall Mullan

#### **Information Items**

Janine Guillot  
Joseph Dear

1. Call to Order and Roll Call
2. Approval of the March 14, 2011, Closed Session Minutes
3. Infrastructure Strategic Plan
4. External Manager Updates
  - a. Real Estate
  - b. Alternative Investments Management (AIM)
  - c. Inflation-Linked Asset Class (ILAC)
  - d. Global Fixed Income
  - e. Global Equity
  - f. Affiliate Investment Programs
5. Activity Reports
  - a. Status of Action Items Not Yet Reported
  - b. Investment Activity Reports
    - 1) Alternative Investments Management
    - 2) Real Estate
    - 3) Risk Managed Absolute Return Strategies
    - 4) Corporate Governance
    - 5) Inflation-Linked Assets
    - 6) Disclosure of Placement Agent Fees
    - 7) Other Programs

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**POLICY SUBCOMMITTEE  
OF THE INVESTMENT COMMITTEE**

**April 11, 2011**

**11:30 a.m.**

**or Upon Adjournment or Recess of the  
Investment Committee Meeting, Whichever is Later**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 Q Street  
Sacramento, CA

**SUBCOMMITTEE MEMBERS**

Louis F. Moret, Chair  
JJ Jelincic, Vice Chair  
Richard Costigan  
George Diehr  
Priya Mathur

**AGENDA**

**Action Items**

1. Call to Order and Roll Call
  2. Approval of the February 14, 2011, Meeting Minutes
  3. Election of Chair and Vice Chair
  4. Policies relevant to adoption of new asset classifications, asset allocation mix, and asset class ranges:
    - a. Revision of Policy on Asset Allocation Strategy
    - b. Revision of Policy on Benchmark Modification and Benchmark Details
    - c. Liquidity Asset Classification
      - 1) Adoption of Policy on Liquidity
      - 2) Revision of Policy on Low Duration Fixed Income Program
    - d. Adoption of Policy on Inflation Assets and its components: Commodities and Inflation-Linked Bonds
    - e. Adoption of Policy on Real Assets and its components: Real Estate, Forestland, and Infrastructure
    - f. Repeal of Policies on:
      - 1) Inflation-Linked Asset Class (ILAC)
      - 2) Real Estate
- Janine Guillot
- Farouki Majeed  
Matt Flynn
- Curtis Ishii
- Curtis Ishii
- Ted Eliopoulos
- Ted Eliopoulos

**Action Items**

- |                |    |  |
|----------------|----|--|
| Janine Guillot | 5. | Adoption of Policy on the Role of Private Asset Class Board Investment Consultants |
| Dan Bienvenue  | 6. | Repeal of Policy on Directed Brokerage Arrangement                                 |

**Information Items**

- 7. Agenda and Calendar
  - a. Draft Agenda for June 13, 2011
  - b. Rolling Annual Agenda Item Calendar
- 8. Public Comment

Note: Items designated for information are appropriate for Subcommittee action if the Subcommittee wishes to take action. Any agenda item acted upon at this Subcommittee meeting may be brought to the Investment Committee at its next regularly scheduled meeting. Items are noticed for action after a first reading. The Subcommittee is free, however, to request a second reading of any item before approving it.

The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.



**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**AD HOC RISK MANAGEMENT COMMITTEE**

**April 11, 2011**

**1:00 p.m.  
or Upon Adjournment or Recess of the  
Investment Policy Subcommittee,  
Whichever is Later**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 Q Street  
Sacramento, CA

**COMMITTEE MEMBERS**

Tony Oliveira, Chair  
Henry Jones, Vice Chair  
George Diehr  
Rob Feckner  
Priya Mathur  
Louis F. Moret

**AGENDA**

1. Call to Order and Roll Call
2. Approval of February 15, 2011, Meeting Minutes
3. Election of the Chair and Vice Chair for the Ad Hoc Risk Management Committee
4. Enterprise Risk Management Reports

Information/Larry Jensen

- a. Office of Enterprise Risk Management – Action Plan Update

Information/Larry Jensen

- b. Risk Exposure Reports

Information/Larry Jensen

- c. Stakeholder Relations

5. Administrative

Information/Larry Jensen

- a. Chief Risk Officer Board Report

Information/Larry Jensen

- b. Draft Agenda for the June 2011 Meeting

## 6. Public Comment

NOTES: Items designated for information are appropriate for Committee action if the Committee wishes to take action. Any agenda item properly noticed for this Committee meeting may be brought to the full Board at its next regularly scheduled meeting.

The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE**

**April 12, 2011**

**8:30 a.m.**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 Q Street  
Sacramento, CA

**COMMITTEE MEMBERS**

George Diehr, Chair  
Rob Feckner, Vice Chair  
John Chiang  
Richard Costigan  
Henry Jones  
Priya Mathur  
Louis Moret  
Tony Oliveira  
Ronald Yank

**AGENDA**

1. Call to Order and Roll Call
2. Approval of the March 15, 2011, Benefits and Program Administration Committee Meeting Minutes
3. Legislation
  - a. AB 344 (Furutani) – Final Compensation and Post Retirement Employment
  - b. SB 27 (Simitian) – Pension Spiking and Return to Work Limits
  - c. SB 503 (Vargas) – Judges' Retirement System II: Credit for Subordinate Judicial Officer Service
  - d. Federal Legislative and Regulatory Policy Guidelines for Retirement Security
4. Administrative Service
  - a. Board Member Employer Reimbursements
  - b. Contract Reform Update

Action / Danny Brown

Action / Danny Brown

Action / Danny Brown

Action / Danny Brown

Action / Russell Fong

Action / Kim Malm

5. Actuarial Office

Action / Alan Milligan

Action / Barbara Ware

Information / Alan Milligan

- a. External Review of Experience Study
- b. Judges' Retirement System Valuation
- c. Chief Actuary Report

6. Customer Services and Support

Action / Lori McGartland

Information / Donna Lum

Information / Donna Lum

- a. Adoption of Regulation: Publicly Available Pay Schedule and Written Labor Policy or Agreement
- b. Deputy Executive Officer Report
  - Rolling Annual Agenda Item Calendar
  - DEO Matrix
- c. Draft Agenda for May 17, 2011

7. Public Comment

NOTE: Items designated for information are appropriate for Committee action if the Committee wishes to take action. Any agenda item properly noticed for this committee meeting may be brought to the full Board at its next regularly scheduled meeting.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**HEALTH BENEFITS COMMITTEE**

**April 12, 2011**

**9:00 a.m.**

**or Upon Adjournment or Recess of the Benefits and Program  
Administration Committee Meeting, Whichever is Later**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 Q Street  
Auditorium  
Sacramento, CA

**COMMITTEE MEMBERS**

Priya Mathur, Chair  
JJ Jelincic, Vice Chair  
John Chiang  
George Diehr  
Rob Feckner  
Henry Jones  
Bill Lockyer  
Tony Oliveira  
Ronald Yank

**OPEN SESSION: 9:00 a.m. or Upon Adjournment or Recess of the Benefits  
and Program Administration Committee Meeting,  
Whichever is Later**

**CLOSED SESSION: 9:30 a.m. or Upon Adjournment or Recess of Open Session,  
CLOSED SESSION TO DISCUSS HEALTH PLAN CONTRACT  
NEGOTIATIONS (Government Code Section 11126(c)(17))**

## **AGENDA**

### **OPEN SESSION**

1. Call to Order and Roll Call
2. Approval of the March 15, 2011, Health Benefits Committee Meeting Minutes
3. Long-Term Care Program  
Information/Kathy Donneson
  - a. Long-Term Care Request for Proposal
4. Preferred Provider Organization  
Information/Gary McCollum
  - a. Self-Funded Health Plans 2010 Year End Financial Report
5. Program-Wide Reports  
Information/Kathy Donneson
  - a. Health Plan Contract Innovations (Pilots) and Data Analysis Projects Update
6. Assistant Executive Officer Report  
Information/Kathleen Billingsley
  - Annual Rolling Calendar Review
  - Health Benefits Branch Assignment Matrix
7. Proposed Agenda for May 17, 2011, Health Benefits Committee Meeting
8. Public Comment

### **CLOSED SESSION      Upon Adjournment or Recess of Open Session Government Code Section 11126(c)(17)**

1. Call to Order and Roll Call
2. Health Plan Contract Negotiations
  - Information/Doug McKeever
    - a. Proposed Benefit Design Changes and Other 2012 Contract Negotiations
  - Information/Kathleen Billingsley
    - b. Pharmacy Benefit Manager

NOTES: Items designated for information are appropriate for Committee action if the Committee wishes to take action. Any agenda item properly noticed for this Committee meeting may be brought to the full Board at its next regularly scheduled meeting.

The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**FINANCE COMMITTEE**

**April 12, 2011**

**1:00 p.m.**

**or Upon Adjournment or Recess of the  
Health Benefits Committee,  
Whichever is Later**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 Q Street  
Sacramento, CA

**COMMITTEE MEMBERS**

Henry Jones, Chair  
Louis F. Moret, Vice Chair  
John Chiang  
JJ Jelincic  
Bill Lockyer  
Priya Mathur  
Tony Oliveira

**AGENDA**

1. Call to Order and Roll Call
2. Approval of March 16, 2011, Meeting Minutes
3. Audits

Information/Margaret Junker  
Action/Margaret Junker

- a. Chief Auditor's Report
- b. Establishment of Specialty Investment Audit  
Services Spring-Fed Pool

4. Compliance

Information/Sherry Johnstone

- a. Office of Enterprise Compliance Quarterly  
Status Report
- b. Compliance Office Report
- c. CalPERS Ethics Helpline Report

Information/Sherry Johnstone  
Information/Sherry Johnstone

5. Business Planning

Action/Nancy Quinlan

- a. CalPERS 2011-12 Business Plan

6. Budgets and Financial Reporting

Action/Steve Pietrowski

- a. Fiscal Year 2011-12 Budget Proposals (Second Reading)
- b. Annual Report of Discharge of Accountability for Uncollectible Debt
- c. Current Budget Issues
- d. Current Financial Reporting Issues

Information/Dave Cornejo

Information/Steve Pietrowski

Information/Dave Cornejo

7. Information Technology Services

Information/Dale Jablonsky

- a. Assistant Executive Officer's Report on Information Technology Activities

8. Administrative Services

Information/Russell Fong

- a. Interim Assistant Executive Officer Report on Administrative Services Activities
  - Annual Rolling Agenda Item Calendar Review
  - Administrative Services Branch Assignment Matrix
- b. Proposed June 2011 Agenda

Information/Russell Fong

9. Public Comment

NOTES: Items designated for information are appropriate for Committee action if the Committee wishes to take action. Any agenda item properly noticed for this Committee meeting may be brought to the full Board at its next regularly scheduled meeting.

The hour designated as the earliest starting time for this meeting is not intended to communicate the expected duration (or ending time) of the preceding meeting.



**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION**

**April 13, 2011**

**9:00 a.m.**

Robert F. Carlson Auditorium  
Lincoln Plaza North  
400 Q Street  
Sacramento, CA

**MEMBERS**

Rob Feckner, President  
George Diehr, Vice President  
John Chiang  
Richard Costigan  
Dan Dunmoyer  
JJ Jelincic  
Henry Jones  
Bill Lockyer  
Priya Mathur  
Louis F. Moret  
Tony Oliveira  
Ronald Yank

**AGENDA**

**CLOSED SESSION** CHIEF EXECUTIVE OFFICER'S BRIEFING ON PERFORMANCE,  
**8:00 a.m.** EMPLOYMENT AND PERSONNEL ISSUES  
(Gov. Code secs. 11126(a)(1) and (g)(1))

**OPEN SESSION**  
**9:00 a.m. OR UPON ADJOURNMENT OF THE CLOSED SESSION, WHICHEVER IS  
LATER**

1. Call to Order and Roll Call
2. Pledge of Allegiance
3. Approval of Meeting Minutes
  - a. March 15, 2011, Board of Administration Meeting
  - b. March 16, 2011, Board of Administration Meeting
- Mr. Feckner 4. President's Report
- Ms. Stausboll 5. Chief Executive Officer's Report

### Investments

- |          |                                      |
|----------|--------------------------------------|
| Mr. Dear | 6. Chief Investment Officer's Report |
|----------|--------------------------------------|

### Committee Reports

(Any Agenda Item from a Properly Noticed Committee Meeting Held Prior to this Meeting May be Reported on or Presented to the Board for its Consideration.)

- |              |   |
|--------------|---|
| Mr. Diehr    | 7. Investment Committee (Oral)                          |
| Mr. Oliveira | 8. Ad Hoc Risk Management Committee (Oral)              |
| Mr. Diehr    | 9. Benefits and Program Administration Committee (Oral) |
| Ms. Mathur   | 10. Health Benefits Committee (Oral)                    |
| Mr. Jones    | 11. Finance Committee (Oral)                            |
| Mr. Feckner  | 12. Ad Hoc Board Governance Committee (Oral)            |
| Mr. Moret    | 13. Performance and Compensation Committee (Oral)       |

### General

- |                             |  |
|-----------------------------|--|
| Ms. Stausboll               | 14. Board Meeting Calendar                         |
| Mr. Jablonsky<br>Mr. Jasper | 15. Pension System Resumption (PSR) Project Update |

### External Affairs

- |             |   |
|-------------|---|
| Ms. Macht   | 16. External Affairs Update   |
| Mr. Brown   | 17. Board's State Legislative Program/Board's Position on State Legislation     |
| Mr. Brown   | 18. Board's Federal Legislative Program/Board's Position on Federal Legislation |
| Mr. Pacheco | 19. Public Affairs Update   |

### Other

- |             |  |
|-------------|--|
| Mr. Feckner | 20. Committee Delegations of Authority: Board Governance Committee and Risk Management Committee |
| Mr. Feckner | 21. Board Travel Approvals   |

Ms. Stausboll                      22.     Draft Agenda for May 18, 2011

Legal

Mr. Mixon                      23.     General Counsel's Report  
    a.    Monthly New Case Report  
    b.    Assignment Matrix  
    c.    Special Review Recommendations

Mr. Mixon                      24.     Proposed Decisions of Administrative Law Judges  
    a.    Ray L. McEdward  
    b.    William R. Danser  
    c.    Maria T. Prieto  
    d.    Evelyn Staub  
    e.    Carolyn E. Bowen  
    f.    David Smith

Mr. Mixon                      25.     Petition for Reconsideration  
    a.    Ralph Chandler

**CLOSED SESSION**  
**(Gov. Code sec.**  
**11126(c)(3))**

**The Board may adjourn into closed session to deliberate**  
**on any Proposed Decision(s) or Petition(s) for**  
**Reconsideration**

26.     Public Comment

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Committee meeting held immediately prior to this Board meeting may be considered by the Board.